

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1593.
FILED, FEBRUARY 1st. 1968.

file
Merrill Island Mining Corporation, Ltd.
(NO PERSONAL LIABILITY)

Full corporate name of Company
Incorporated under the Quebec Mining Companies Act (Quebec) by Letters Patent dated July 4/50, 3,000,000 shs., \$1.00 par value; Supplementary Letters Patent dated Sep. 21/51 increased authorized capital to 4,000,000 shs., \$1.00 par value; Supplementary Letters Patent dated Sep. 7/55 increased authorized capital Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1955 to 6,000,000 shs., \$1.00 par (Ontario) by Letters Patent dated May 1st, 1957). Reference is made to previous Filing Statement No. 403.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

| | | |
|--|---|---|
| 1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed. | By Agreement dated Dec. 12/67, sale by the Company to Campbell Chibougamau Mines Ltd. of: - a) Mining Concessions known as Blocks A, B and C in the Twp. of Obalski, and Block B in the Twp. of McKenzie; b) Mining Claims 30216 - Cls. 1 to 5 inclusive; c) All underground workings of the Company and equipment therein; d) Shaft and Hoist of the Company located in Block C; e) All right, title and interest of the Company under certain Agreements between it and Chib-Kayrand Copper Mines Limited; f) All residences belonging to the Company located in Block C; g) Existing stockpile of ore, both surface and underground, for consideration of (a) issue to the Company of 50,000 fully paid and non-assessable shares of Campbell, and (b) the sum of \$700,000 payable (i) \$200,000, without interest, on January 5, 1968; (ii) \$200,000 on January 5 in the years 1969 and 1970, and (iii) \$100,000 on January 5, 1971, with interest on the unpaid balance at the rate of 5% per annum from July 5, 1968. See Schedule "A" on pages 3 and 4 for further details. | |
| 2. Head office address and any other office address. | Suite 400, 621 Craig St. W. Montreal 3, Que. Head Office P.O. Box 5200, Chibougamau, - Mine Office | |
| 3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors. | <u>RANDOLPH P. MILLS,</u> 373 Olivier Ave., Westmount, Que. (Pres. & Dir. of this Co.) <u>MAURICE SAMSON, O.B.E., C.A.,</u> 1025 Des Braves, Quebec City, P.Q. (Vice-Pres. & Dir. of this Co.) <u>C. ANTOINE GEOFFRION, Q.C.,</u> 26 Sunnyside Ave., Montreal 6, P.Q. (Dir. of this Cp.) <u>FRIDOLIN SIMARD,</u> 2 Surrey Gardens, Montreal 6, P.Q. (Dir. of this Cp.) <u>JEAN-PAUL TARDIF, M.S.C.,</u> 1286 Parc Lemoine, Sillery, Que. (Dir. of this Co.) <u>HUBERT J. MOCKLER,</u> 70 Nelson St., Montreal West, Que. (Dir. of this Co.) <u>CHARLES BOUFFARD,</u> 1575 St. Louis Road, Quebec City, P.Q. (Dir. of this Cp.) <u>JOSEPH O. SABOURIN,</u> 31 Mount Pleasant Ave., Pointe Claire, Que. (Sec-Treas. of this Co.) | Mining Executive; President of Cons. Quebec Smelting & Refining Ltd; and President and Director of numerous other Companies. Chartered Accountant; Partner, Samson, Bélair, Côté, Lacroix & Associés; and Director of various other other Companies. Advocate; Member of Geoffrion & Frud'homme; and Director of several other Companies. Industrialist; President of Simard Beaudry Inc.; and President and Director of various other Companies. President, Savings and Investment Corporation; and Director of various other Companies. Director of Mead & Co. Limited; and Director of various other Companies. Director of Greenshields Incorporated; and Director of various other Companies. Sec-Treas. of this Company and of several other Mining Companies. |
| 4. Share capitalization showing authorized and issued and outstanding capital. | Authorized Capital - \$6,000,000, consisting of 6,000,000 shs. \$1.00 par value each; Issued and Outstanding - 5,420,340 shs., \$1.00 par value. | |
| 5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding. | Central Mortgage and Housing Corporation holds \$105,362.54 mortgage on townsite lots and houses, as of Dec. 31/67. | |
| 6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement. | None | |

| | |
|--|---|
| 7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof. | Not Applicable. |
| 8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition. | Not Applicable. |
| 9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any. | Mining and milling of ore for Icon Syndicate, as per Agreement. General exploration in search for a new ore body. |
| 10. Brief statement of company's chief development work during past year. | Company continued mining of ore until December 1/67, which was stockpiled on surface. Exploration and development continued in both the Merrill and Chib-Kayrand properties to develop additional tonnage, but the results were negative. Outside exploration included diamond drilling on claims in Gaspé, Daubrée and Lamarck Townships west of Chibougamau, geophysical and surface exploration on optioned properties in Rouyn and Laverlochère Townships. Company is now starting a diamond drilling program on three properties in New Brunswick. |
| 11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid. | Not Applicable. |
| 12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company. | Not Applicable. |
| 13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement. | None. |
| 14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.) | Not Applicable. |
| 15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state. | Merrill Lynch, Pierce, Fenner & Smith Inc., 11 King St. W., Toronto, Ont. 315,948 Walston & Co. Inc., 74 Wall St., New York 5, N.Y., U.S.A. 114,895 Francis I. DuPont & Co., C.I.L. House, 630 Dorchester Blvd. W., Montreal, Que. 105,509 Bache & Co. Inc., 360 Bay St. Toronto, Ont. 97,885 Charles King & Co. 8 King St. East. Toronto. Ont. 92,950 Beneficial owners unknown. |

SCHEDULE "A"

MERRILL ISLAND MINING CORPORATION, LTD.
(No personal liability)

Pursuant to the requirements of

The Toronto Stock Exchange

we wish to report that the following transaction took place on December 12, 1967.

Merrill Island Mining Corporation, Ltd. (No personal liability) (hereinafter referred to as Merrill) entered into an agreement on December 12, 1967 with Campbell Chibougamau Mines Ltd. (No personal liability) (hereinafter referred to as Campbell) for the sale to Campbell of certain properties and assets of Merrill located in Obalski and McKenzie Townships, in the Chibougamau district of Quebec.

The properties and assets sold are as follows:

1) Mining claims.

a) the mining concessions knowns as block "A", "B", "C" in the Township of Obalski and block "B" in the Township of McKenzie held under grant of Mining Concession No. C.M. 136.

b) Mining claims Nos. 30216-Claims 1-5 inclusive in Obalski Township.

2) Underground workings and mining equipment.

All underground workings located in the area covered by mining concessions and mining claims mentioned in (1) including all mining equipment therein belonging to Merrill.

3) Mining installations and buildings.

The shaft and hoist, including head frame and all equipment and service installations of Merrill located on block "C" other than those used by Merrill in the operation and maintenance of its mill and concentrator.

4) Agreements between Merrill and Chib-Kayrand Copper Mines Ltd.

All right, title and interest of Merrill into and under agreements for exploration, mining and milling of ore from properties owned by Chib-Kayrand Copper Mines Ltd. These agreements are dated October 18, 1963, June 22, 1965, May 25, 1967 and November 21, 1967.

5) Residences, furniture and equipment.

All residences together with furniture and equipment therein belonging to Merrill and located on block "C" in the Township of Obalski.

6) Inventory of broken ore.

Existing stockpile containing approximately 11,250 tons of ore on the surface and approximately 3,500 tons of broken ore underground.

7) Claims and lawsuit.

The existing emphyteutic lease between Merrill and Campbell dated April 2, 1952 is cancelled and Merrill and Campbell give and grant each to the other full and final release and discharge of any and all claims they have or may have against each other resulting from the events having arisen prior to December 12, 1967.

The price and consideration secured for the sale are as follows:

a) The issue to the vendor (Merrill) of 50,000 fully paid

and non-assessable shares of the capital stock of Campbell. For the purpose of this agreement the assigned value is \$7.00 per share. The certificates for these shares registered in vendor's name are to be delivered on or about the 8th of January 1968.

b) The sum of \$700,000 payable as follows:

- 1) \$200,000 without interest on January 5th, 1968,
- 2) \$200,000 on January 5th in each of the years 1969 and 1970,
- 3) \$100,000 on January 5th, 1971 with interest on the balance owing at the rate of 5% per annum accruing from July 5th, 1968 payable half-yearly on January 5th and July 5th of each year, Campbell having the right to prepay at any time and without penalty all or any parts of said amounts.

The original cost, net book value as at November 30th, 1967 and assigned values of the assets sold or liquidated through the purchase price as at December 1st, 1967, date of the takeover of the assets by Campbell are as follows:

| Description of assets liquidated or sold | Original cost | Net book value as at November 30th, 1967 | Assigned values as at December 1st, 1967 |
|--|---------------|--|--|
| Mining claims | \$215,000 | nil | nil |
| Underground workings | 3,704,739 | nil | nil |
| Mining equipment | 643,473 | \$326,141 | \$326,141 |
| Buildings | 261,593 | 97,500 | 97,500 |
| Inventory of spare parts | 57,670 | 57,670 | 57,670 |
| Agreements between Chib-Kavrand | 47,612 | 37,266 | 47,612 |
| Residences, furniture, equipment | 136,077 | 70,000 | 70,000 |
| Inventory of broken ore | 171,013 | 171,013 | 230,000 |
| Settlement of claims and lawsuits | n/a | <u>251,887</u> | <u>221,077</u> |
| | | 1,011,477 | <u>1,050,000</u> |
| Excess of selling price over book value | | <u>38,523</u> | |
| | | <u>1,050,000</u> | |

Charged to accounts as follows:

| | | |
|---|---------------|-----------------|
| To the operations the excess of assigned value over book value as above | | |
| Inventory of broken ore | \$58,987 | |
| Agreements with Chib-Kayrand | <u>10,346</u> | \$69,333 |
| To surplus | | |
| Deficit in settlement of claims and lawsuits | | <u>30,810</u> |
| Net Excess | | <u>\$38,523</u> |

There is attached hereto and forming part of this filing, unaudited figures as at November 30, 1967 including unaudited pro-forma figures dated December 1, 1967 after giving effect to the transactions outlined in the preceding paragraphs.

MERRILL ISLAND MINING CORPORATION, LTD.
(No Personal Liability)

UNAUDITED BALANCE SHEET AS AT NOVEMBER 30, 1967

UNAUDITED PRO FORMA BALANCE SHEET AS AT DECEMBER 1, 1967 AFTER GIVING EFFECT TO THE TRANSACTIONS DESCRIBED IN NOTE 1

FINANCIAL STATEMENTS

ASSETS

CURRENT ASSETS

Cash and deposit receipts
Accounts receivable
Current portion of amount due from
Campbell Chibougamau Mines Ltd.
Other
Campbell Chibougamau Mines Ltd.
Inventory of raw ore - at cost
Inventory of stores and supplies at cost
Prepaid expenses

LIABILITIES

CURRENT LIABILITIES

Accounts, payable and accrued
Mortgage instalments due within
one year

MORTGAGE PAYABLE

CAPITAL STOCK

Authorized
6,000,000 shares of \$1.00 each
Issued (Note 4)
5,420,340 shares
Premium received

FIXED ASSETS - at cost (Note 3)

Mill, buildings and equipment
Accumulated depreciation

Townsite lots and houses
Accumulated depreciation

Furniture and fixtures
Accumulated depreciation

Mining properties

DEFERRED CHARGES

Organization, pre-milling and
development expenses
Amount amortized

APPROVED ON BEHALF OF THE BOARD:

.....Director

.....Director

Unaudited
Pro Forma
December 1
1967

\$77,041
22,898
99,939
84,328

SHAREHOLDERS' EQUITY

5,420,340
1,487,720
6,908,060
2,502,333
4,405,727

RETAINED EARNINGS

Deficit - beginning of period
Profit or (loss) for the period
Loss on sales of assets to Campbell
Chibougamau Mines Ltd.
Prior years' adjustment of expenses
Deficit - end of period

(121,773)
(46,686)
12,844
(155,615)
4,250,112

\$4,472,690

MERRILL ISLAND MINING CORPORATION, LTD.
(No personal liability)

UNAUDITED STATEMENT OF OPERATIONS FOR THE FIVE MONTHS ENDED NOVEMBER 30, 1967
UNAUDITED PRO FORMA STATEMENT OF OPERATIONS FOR THE FIVE MONTHS ENDED DECEMBER 1, 1967

| | Unaudited five months ended November 30, 1967 | Unaudited pro forma five months to December 1, 1967 |
|--|--|--|
| Revenue from - metal sales adjustments | \$22,226 | \$22,226 |
| - sale of broken ore | <u>22,226</u> | <u>230,000</u> |
| | | <u>252,226</u> |
| Expenses | | |
| Mining | - | 83,086 |
| Milling | - | 1,298 |
| Surface | - | 30,706 |
| Power | - | 19,144 |
| Insurance, taxes and other | - | 13,517 |
| Mine administration | - | 23,262 |
| General administration | <u>74,215</u> | <u>74,215</u> |
| | <u>74,215</u> | <u>245,228</u> |
| Revenue from custom milling | <u>42,424</u> | <u>42,424</u> |
| | <u>31,791</u> | <u>202,804</u> |
| Profit (loss) from mine before deduction of the following | <u>(9,565)</u> | <u>49,422</u> |
| Depreciation | 40,795 | 40,795 |
| Exploration expenses | <u>102,940</u> | <u>92,594</u> |
| | <u>143,735</u> | <u>133,389</u> |
| Loss from mining and exploration | <u>(153,300)</u> | <u>(83,967)</u> |
| Other revenue and expenses | | |
| Revenue from leased area | 10 | 10 |
| Investment income - Interest | 35,542 | 35,542 |
| Dividends | 5,790 | 5,790 |
| Profit on sales of investments | 94,278 | 94,278 |
| Profit (loss) on townsite houses before depreciation | (5,286) | (5,286) |
| Depreciation on townsite | <u>(23,720)</u> | <u>(23,720)</u> |
| | <u>(29,006)</u> | <u>(29,006)</u> |
| Net loss on townsite including depreciation | <u>106,614</u> | <u>106,614</u> |
| Profit (loss) for the period | <u>(\$46,686)</u> | <u>\$22,647</u> |

MERRILL ISLAND MINING CORPORATION, LTD.
(No Personal Liability)

NOTES TO UNAUDITED PRO FORMA FINANCIAL STATEMENTS

AS AT DECEMBER 1, 1967

1. CAMPBELL CHIBOUGAMAU MINES LTD.

Under date of December 12, 1967, effective December 1, 1967, the company sold to Campbell Chibougamau Mines Ltd. the mining concessions, underground workings, mining equipment and buildings (including shaft and hoist), residences, stockpiled or underground broken ore, all of these located on blocks A, B and C. The emphyteutic lease dated April 2, 1952 with Campbell is cancelled and full and final discharge and release of any and all claims against Campbell has been given. Also sold were the rights in the agreements with Chib-Kayrand Copper Mines Limited.

2. INVESTMENTS

The following items are included in this amount:

| | As at November 30, 1967 | As at December 1, 1967 |
|---|----------------------------|---------------------------|
| * Quoted marketable securities at cost | \$397,777 | \$ 747,777 |
| Unquoted securities at cost | 85,000 | 85,000 |
| Unquoted bonds at cost | 256,947 | 256,947 |
| Wholly-owned unconsolidated subsidiary | | |
| Shares and advances at cost representing approximate underlying value | <u>4,585</u> | <u>4,585</u> |
| | <u>\$744,309</u> | <u>\$1,094,309</u> |
| * Market value of quoted marketable securities | <u>\$404,000</u> | <u>\$786,500</u> |

3. DEPRECIATION

In May 1967 the company ceased its major mining operations and under agreement commenced the milling of ore for the account of a third party. This agreement is operative for a period of five years ending in May 1972 without provision for cancellation in the first eighteen months and subject to six months' notice thereafter.

As at December 1, 1967 all fixed assets are carried at values which approximate management's estimates of their current economic value having consideration for the aforementioned agreement.

MERRILL ISLAND MINING CORPORATION, LTD.
(No Personal Liability)

NOTES TO UNAUDITED PRO FORMA FINANCIAL STATEMENTS

AS AT DECEMBER 1, 1967

- 2 -

4. STOCK OPTIONS

Options to certain employees to purchase 35,000 shares of unissued capital stock at \$1 per share have been exercised.

5. CONTINGENT LIABILITY

The company is defendant in legal actions in which amounts of \$65,000 and \$81,762 plus interest from November 30, 1956, are being claimed. The company denies any liability in respect of these claims.

MERRILL ISLAND MINING CORPORATION, LTD.
(No personal liability)

UNAUDITED COMPARATIVE STATEMENT OF WORKING CAPITAL INCLUDING INVESTMENTS

| | Five months period ended November 30, 1967 | Pro-forma five months period ended December 1, 1967 |
|--|--|--|
| Current assets | \$2,348,210 | \$2,030,162 |
| Investments | <u>744,309</u> | <u>1,594,309</u> |
| | 3,092,519 | 3,624,471 |
| Current liabilities | <u>99,939</u> | <u>99,728</u> |
| | 2,992,580 | 3,524,743 |
| Working capital including investments as at June 30, 1967 | <u>2,945,258</u> | <u>2,945,258</u> |
| Increase in working capital from June 30, 1967 | <u>\$47,322</u> | <u>\$579,485</u> |

COMPARATIVE STATEMENT OF SOURCE AND APPLICATION OF FUNDS

| | | |
|--|-------------------|------------------|
| Funds were provided by: | | |
| Operations - Profit (loss) for the period | <u>(\$46,686)</u> | <u>\$22,647</u> |
| Charges to operations not requiring the use of funds | | |
| Depreciation on mill building - equipment | 40,693 | 40,693 |
| Depreciation on townsite houses | 23,720 | 23,720 |
| Depreciation on furniture and fixtures - Head Office | <u>102</u> | <u>102</u> |
| | 64,515 | 64,515 |
| | 17,829 | 87,162 |
| Adjustment of prior years' expenses | | |
| Provision for custom milling | 10,278 | 10,278 |
| Provision for mining duties | 2,566 | 2,566 |
| Issue of capital stock | 35,000 | 35,000 |
| Sale of fixed assets to Campbell Chibougamau Mines Ltd. | <u>-</u> | <u>493,641</u> |
| | 65,673 | 628,647 |
| Funds were applied to: | | |
| Purchase of fixed assets | 6,753 | 6,753 |
| Reduction of long-term debt - Mortgage payable | 11,598 | 11,598 |
| Loss on sale of assets to Campbell Chibougamau Mines | <u>-</u> | <u>30,811</u> |
| | 18,351 | 49,162 |
| Increase in working capital | <u>\$47,322</u> | <u>\$579,485</u> |

CAMPBELL ISLAND MINING CORPORATION, LTD.
(No Personal Liability)

INVESTMENTS AS OF JANUARY 12, 1968

| | Shares on hand | Net Cost per share | Total Net Cost | Quoted Price Jan. 12, 1968 | Market Value |
|---|-------------------|-----------------------|-------------------|-------------------------------------|--------------------------------------|
| Alean Aluminium Limited | 1,000 | 35.21 | 35,212.50 | 28 5/8 | 28,625.00 |
| Bank of Nova Scotia | 1,000 | 16.40 | 16,400.00 | 15 3/8 | 15,375.00 |
| Bateman Bay Mining Company | 923,067 | .00398 | 36,775.80 | .065 | 59,999.35 |
| Canadian Imperial Bank of Commerce | 2,500 | 14.405 | 36,012.50 | 14.00 | 35,000.00 |
| Canadian National Bank | 1,000 | 15.09 | 15,090.00 | 10 3/8 | 10,375.00 |
| Canadian Pacific Railway Company | 1,500 | 68.89 | 103,340.64 | 57 1/2 | 86,250.00 |
| Cons. Quebec Smelting & Refining Ltd. (incorporator Sh.) | 5 | 1.00 | 5.00 | - | - |
| | - | - | (63,011.58) | - | - |
| Craigmont Mines Limited | 5,000 | 12.19 | 60,945.52 | 11 3/4 | 58,750.00 |
| Merrill-Cobalski Mines Ltd. | 10 | 1.00 | 10.00 | - | - |
| Price Company Ltd. | 500 | 14.12 | 7,062.50 | 10.00 | 5,000.00 |
| Quebec Uranium Mining Corporation | 300,000 | 0.283 | 85,000.00 | - | - |
| Tribag Mining Ltd. | 2,000 | 3.57 | 7,140.00 | 1.15 | 2,300.00 |
| King's Department Stores, Inc. | 1,000 | | 36,306.25 | -U.S.- 39.00 -Can.- 42.51 | 39,000.00 - U.S. 42,510.00 - Can. |
| | | | 376,289.13 | | 344,184.35 |
| School Board of Chibougamau - 5% Bond | | | 2,300.00 | | 2,300.00 |
| Debentures - Cons. Quebec Smelting & Refining Ltd., 7% Maturing February 1, 1972 | | | 251,500.00 | | 251,500.00 |
| Debentures - Chibougamau Curling Club Inc. - Maturing December 1, 1986 | | | 1,047.00 | | 1,047.00 |
| Debentures - Canadian Pacific Investment Co. Ltd. - CV PR-A- at 4.75% interest | | | 2,000.00 | | 2,000.00 |
| Canada Savings Bonds 1967 - 1968 series | | | 50,000.00 | | 50,000.00 |
| | | | 683,136.13 | | 651,031.35 |

Note: After giving effect to the transfer referred to in Item 1 of the Filing Statement, the Company will own 50,000 shares of Campbell Chibougamau Mines Ltd. at a book value of \$350,000.00.

DEPOSIT RECEIPTS

JANUARY 12, 1968

| | | | | | |
|---|-----|----------|----------|-----------|---------------|
| Canadian Imperial Bank of Commerce <u>St. James & McGill, Montreal, P. Que.</u> | | | | | |
| No. 112388 | due | February | 5, 1968 | at 5% | 25,000.00 |
| No. 112507 | due | February | 27, 1968 | at 7.06% | 100,000.00 |
| No. 112423 | due | March | 5, 1968 | at 5 1/2% | 50,000.00 |
| | | | | | \$ 175,000.00 |
| Canadian Imperial Bank of Commerce <u>265 St. James Street West, Montreal, P. Que.</u> | | | | | |
| No. 99997 | due | January | 29, 1968 | at 5% | 100,000.00 |
| No. 100118 | due | March | 25, 1968 | at 6.14% | 500,000.00 |
| No. 100109 | due | March | 25, 1968 | at 6.14% | 100,000.00 |
| No. 100293 | due | April | 4, 1968 | at 6.25% | 100,000.00 |
| | | | | | 800,000.00 |
| Royal Bank of Canada <u>350 St. James Street West, Montreal P. Que.</u> | | | | | |
| No. 2068 | due | March | 25, 1968 | at 6% | 100,000.00 |
| | | | | | 100,000.00 |
| Savings and Investment Trust Company <u>215 St. James Street West, Montreal, P. Que.</u> | | | | | |
| No. 10318F | due | March | 19, 1968 | at 5 3/4% | 100,000.00 |
| No. 10421E | due | April | 22, 1968 | at 6 1/8% | 100,000.00 |
| | | | | | 200,000.00 |
| Canadian National Bank <u>Place Victoria, Montreal, P. Que.</u> | | | | | |
| No. 2854 | due | January | 24, 1968 | at 5 3/4% | 100,000.00 |
| | | | | | 100,000.00 |

\$ 1,375,000.00

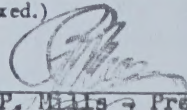
| | |
|---|---|
| 16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company. | The Company is not aware of a person or persons whose holdings would materially affect control of the Company. The present Directors of the Company, through the solicitation of Proxies, acting jointly, are in a position to elect, or cause to be elected, a majority of the Board of Directors. |
| 17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value. | Schedule of Investments, as of January 12, 1968, attached hereto. Refer to page 9. |
| 18. Brief statement of any lawsuits pending or in process against company or its properties. | Superior Court Writ was served on Dec. 19/67 by United Obalski Mining Company Limited claiming \$65,910.23 as adjustment of Mining & Milling Agreement between us dated April 30/64. |
| 19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing. | See attached schedule. |
| 20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public. | None. The shares of the Company are <u>not</u> in the course of primary distribution to the public. |

DATED January 19, 1968.

CERTIFICATE OF THE COMPANY

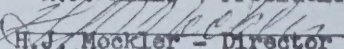
The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"R.P. Mills"


R.P. Mills - President

CORPORATE
SEAL

"H.J. Mockler"


H.J. Mockler - Director

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)